

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 655 – HB 1084

April 3, 2017

SUMMARY OF ORIGINAL BILL: Authorizes the selling of ground feed comprised entirely of corn and grains that were raised on an individual's farm to be exempt from commercial feed licensure requirements.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenue – Up to \$100/Agriculture Regulatory Fund

Decrease State Expenditures – Up to \$100/Agriculture Regulatory Fund

SUMMARY OF AMENDMENT (006678): Deletes and replaces language of the original bill to establish that the proposed exemption only applies if the ground feed is sold on the farmer's farm, annual sales of such feed by the farmer do not exceed 350 tons, and the feed is not adulterated.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Based on information provided by DOA, very few licenses are issued to individuals that sell ground corn and grain. Therefore, it is reasonably estimated that no more than two such licenses are issued each year.
- The annual license fee for sales of ground corn or grain is \$50.
- The recurring decrease in revenue to the Agriculture Regulatory Fund is estimated as an amount up to \$100 (\$50 annual license x no more than 2 licenses).

SB 655 – HB 1084

- Based on information provided by DOA, the Department would no longer be required travel to or inspect the few licensed premises; as a result, the Department is assumed to experience a recurring decrease in expenditures approximately equivalent to the reduction in revenue. Therefore, a recurring decrease in state expenditures to the Agriculture Regulatory Fund up to \$100.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/tdb